



# NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY  
WESTERN DISTRICT OF MISSOURI

**TODD P. GRAVES**

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**FOR IMMEDIATE RELEASE**

OPERATION ICE PALACE  
**JURY CONVICTS FORSYTH HEAD SHOP OWNER  
IN METH-RELATED CONSPIRACY**

**SPRINGFIELD, Mo.** – Todd P. Graves, United States Attorney for the Western District of Missouri, announced that the owner of a Forsyth, Mo., head shop was convicted by a federal jury today for his role in a conspiracy to distribute ingredients used to manufacture methamphetamine.

Today's conviction is the result of Operation Ice Palace, a long-term investigation into the illegal sale of large quantities of over-the-counter cold medications to methamphetamine manufacturers in southwest Missouri. Operation Ice Palace resulted in a series of indictments by a federal grand jury against 53 defendants.

"Today's conviction marks a significant development in this extensive investigation," Graves said. "This should send a message to all business owners: Those who supply the ingredients for meth will be prosecuted as vigorously as those who manufacture meth or sell it on the street. We are determined to break each link in the chain."

**David L. Deputy**, 53, of Powersite, Mo., owner of The Castle head shop in Forsyth and D and D Distributors, which distributes pseudoephedrine to convenience stores and other businesses, was found guilty of all counts of a federal indictment that charges him with leading a criminal conspiracy to possess and distribute at least three kilograms of pseudoephedrine, knowing that it would be used to manufacture methamphetamine, in Greene, Jasper, Taney, Barry, Lawrence, and Ozark counties in Missouri from May 2000 to June 4, 2003.

"**David Deputy** used his wholesale company to distribute large amounts of pseudoephedrine products to convenience stores and other businesses in southwest Missouri and northwest Arkansas," Graves explained. "Many of these stores in turn sold the pseudoephedrine to individuals who used it to manufacture methamphetamine. **David Deputy** and employees at

the Castle also sold large amounts of pseudoephedrine products directly to persons they knew were using it to manufacture methamphetamine.”

According to Graves, **David Deputy** purchased nearly 140,000 boxes of Actifed, Swan and other brands of pseudoephedrine (containing nearly 7 million pills) from several wholesale suppliers. “Between the pseudoephedrine he sold directly to customers of The Castle and the pseudoephedrine he distributed to other businesses,” Graves said, “we estimate that **David Deputy** earned more than \$920,000 in gross profit from this criminal activity.”

**David Deputy** was also found guilty of one count of possession and two counts of distributing pseudoephedrine, knowing that it would be used to manufacture methamphetamine, five counts of money laundering, and a forfeiture count, which would require him to forfeit to the government any property involved in the offense or obtained from the proceeds of the offense, including \$920,000 and The Castle property at 10413 E. State Highway 76, Suite A, in Forsyth.

Following the presentation of evidence in the trial, the jury in U.S. District Court in Springfield deliberated for two days before returning the guilty verdicts to U.S. District Judge Richard E. Dorr, ending a trial that began April 25, 2005.

The court declared a mistrial when the jury failed to reach a verdict on two co-defendants, **Monte William Vogt**, 41, of Carl Junction, Mo., owner of 13<sup>th</sup> Street Laundry / Pit Stop in Joplin, Mo., and 171 Smokeshop in Asbury, Mo., and **Dalmer G. Wagner**, 54, of Jonesboro, Ark., owner of Mombay Variety Store, a head shop in Jonesboro that houses an adult video and novelty shop called Behind the Door.

Under federal statutes, **David Deputy** could be subject to a sentence of up to 180 years in federal prison without parole, plus a fine up to \$3.5 million. A sentencing hearing will be scheduled after the completion of a presentence investigation by the United States Probation Office.

Thirteen co-defendants have pleaded guilty to charges contained in this indictment. The original indictment was returned by a federal grand jury in Springfield on March 31, 2004, and later replaced by superseding indictments. Among those co-defendants:

#### **The Castle & D and D Distributing**

\* **Melissa D. Deputy**, 30, of Branson, **David Deputy**’s daughter and one of his employees at The Castle, pleaded guilty on April 8, 2005, to participating in a conspiracy to distribute pseudoephedrine, knowing that it would be used to manufacture methamphetamine.

**Melissa Deputy** admitted that, while employed at The Castle from October 2001 to October 2002, she was instructed to sell 20 boxes of pseudoephedrine at one time. On two occasions, Graves said, **Melissa Deputy** sold between 100 and 300 grams of pseudoephedrine to undercover law enforcement officers with COMET (the Combined Ozarks Multi-jurisdictional Enforcement Team).

\* **Joanne E. Lee**, 44, of Powersite, Mo., one of **David Deputy's** employees at The Castle, pleaded guilty on April 7, 2005, to participating in the conspiracy to distribute pseudoephedrine, knowing that it would be used to manufacture methamphetamine, and to distributing pseudoephedrine, knowing that it would be used to manufacture methamphetamine.

**Joanne Lee** admitted that, while employed at The Castle from May 2000 to Oct. 17, 2002, she sold large amounts of pseudoephedrine to customers without regard for the purposes for which the customers would use the product. For example, Graves said, **Joanne Lee** sold up to 20 boxes at a time to one customer and repeated that sale multiple times during the same month. **Joanne Lee** conducted several of these types of transactions, knowing that the pseudoephedrine was being purchased by individuals to manufacture methamphetamine. On April 11, 2002, **Joanne Lee** assisted another employee in the sale of 960 pills of Swan 30-milligram dosage pseudoephedrine to undercover officers, having reasonable cause to believe that the pseudoephedrine would be used for the manufacture of methamphetamine.

\* **Melonie Ann Lee**, 25, of Branson, **Joanne Lee's** daughter and one of **David Deputy's** employees at The Castle in Forsyth, pleaded guilty on April 19, 2005, to her role in the conspiracy. **Melonie Lee** also admitted that she distributed between 10 grams and 40 grams of pseudoephedrine on Aug. 30, 2002, knowing that it would be used to manufacture methamphetamine.

\* **Larry L. Crow**, 38, of Mountain Home, Ark., a sales agent for D and D Distributors, pleaded guilty on March 25, 2005, to participating in a conspiracy to distribute pseudoephedrine, knowing that it would be used to manufacture methamphetamine, and to possessing a firearm in relation to that offense.

**Crow** sold large amounts of pseudoephedrine to various retail stores in southwest Missouri. **Crow** was told to sell the stores 488 boxes of pseudoephedrine per month, Graves said, and to provide the stores with multiple invoices for each transaction so as to appear to conform with Drug Enforcement Administration regulations. During this time, Graves said, **Crow** sold pseudoephedrine to numerous stores that were "non-traditional" markets for pseudoephedrine, such as liquor stores, bars, laundromats and adult video stores. The most readily available amount that **Crow** was responsible for distributing was over three kilograms of pseudoephedrine. During the time of the conspiracy, Graves added, **Crow** carried a .45-caliber Ruger handgun.

### **171 Smoke Shop & 13<sup>th</sup> Street Laundry / Pit Stop**

\* **Ruby A. Studyvin**, 42, of Duneweg, Mo., an employee of **Vogt's** at 171 Smoke Shop in Asbury, pleaded guilty on March 31, 2005, to participating in the conspiracy to distribute or possess pseudoephedrine, knowing that it would be used to manufacture methamphetamine.

**Studyvin** admitted that, while employed at 171 Smoke Shop, she assisted with the large scale sale of pseudoephedrine to individuals that she knew were going to use the pseudoephedrine to manufacture methamphetamine. On May 28, 2003, **Studyvin** sold 288 30-milligram pseudoephedrine tablets to undercover officers.

\* **Kim Olesen**, 53, an employee of **Vogt's** at 13<sup>th</sup> Street Laundry / Pit Stop in Joplin, pleaded guilty on March 30, 2005, to distributing pseudoephedrine, knowing that it would be used to manufacture methamphetamine.

**Olesen** admitted that, while employed at 13<sup>th</sup> Street Laundry / Pit Stop, she sold 1,152 pills of 30-milligram dosage pseudoephedrine to undercover officers.

### **Springfield Discount Liquors**

\* **Roxanne Bradley**, 56, of Springfield, the owner and operator of Springfield Discount Liquors I, 2736 N. Kansas Expressway in Springfield, and Springfield Discount Liquors II, 1423 E. Kearney in Springfield, pleaded guilty on April 7, 2005, to participating in the conspiracy to distribute pseudoephedrine, knowing that it would be used to manufacture methamphetamine, and to distributing pseudoephedrine, knowing that it would be used to manufacture methamphetamine.

On several occasions, Graves said, **Bradley** sold hundreds or thousands of pseudoephedrine pills at a time to undercover officers. In total, undercover officers purchased, either directly from **Bradley** or through an employee, 3,288 30-milligram dosage pills, which is nearly 100 grams of pseudoephedrine.

Those undercover sales occurred at the Liquors I location on Kansas Expressway, Graves said. **Bradley** received large quantities of pseudoephedrine at both stores, then transported the pseudoephedrine to the Kansas Expressway location to sell to individuals. Because both properties were used to facilitate the criminal conspiracy as well as in the distribution of pseudoephedrine, Graves explained, those properties are subject to be forfeited to the government.

\* **Tara A. Lindsey**, 26, of Springfield, pleaded guilty on April 11, 2005, to participating in a conspiracy to distribute pseudoephedrine, knowing that it would be used to manufacture methamphetamine, from May 2000 to June 4, 2003.

**Lindsey** admitted that, while employed at Springfield Discount Liquors in Springfield, she assisted her employer, co-defendant **Bradley**, with the large-scale sale of pseudoephedrine to individuals that **Lindsey** knew were going to use the pseudoephedrine to manufacture methamphetamine. On one occasion, Graves said, **Lindsey** sold 504 30-milligram pseudoephedrine tablets to undercover law enforcement officers with COMET (the Combined Ozarks Multi-jurisdictional Enforcement Team).

### **Lauffer's Handi-Mart**

\* **Ralph Lauffer**, 50, of Aurora, Mo., owner of Lauffer's Handi-Mart in Aurora, pleaded guilty on April 19, 2005, to being a manager or supervisor in the conspiracy to distribute or possess pseudoephedrine, knowing that it would be used to manufacture methamphetamine. **Lauffer** also admitted that he distributed between 10 grams and 40 grams of pseudoephedrine on

Oct. 25, 2002, knowing that it would be used to manufacture methamphetamine. **Lauffer** also admitted that he was in possession of between 100 grams and 300 grams of pseudoephedrine on Jan. 14, 2003, knowing that it would be used to manufacture methamphetamine.

\* **Cassandra L. Falk**, 30, of Mount Vernon, Mo., and **Michael L. Peters**, 37, of Greenfield, Mo., **Lauffer's** employees at Handi-Mart in Aurora, each pleaded guilty on April 20, 2005, to participating in a conspiracy to manufacture and distribute 50 grams or more of methamphetamine.

**Falk** admitted that she knew **Peters** was engaged in manufacturing methamphetamine, and agreed to assist him by supplying him with precursor ingredients such as pseudoephedrine. In return, **Falk** received methamphetamine for her own personal use from **Peters**. During June and July of 2002, **Peters** admitted, he distributed at least 56 grams of methamphetamine to **Falk** in exchange for pseudoephedrine to manufacture methamphetamine.

\* **Paul Wells**, 28, and **Lori J. Williams**, 36, both of Aurora, Mo., **Lauffer's** employees at Handi-Mart in Aurora, pleaded guilty on March 29, 2005, to participating in a conspiracy to distribute pseudoephedrine, knowing that it would be used to manufacture methamphetamine.

By pleading guilty, both **Wells** and **Williams** admitted that, while working at **Lauffer's** Handi-Mart, they sold large amounts of pseudoephedrine to persons whom they knew were using the pseudoephedrine to manufacture methamphetamine. The most reasonably foreseeable and readily provable amount that **Wells** and **Williams** distributed or intended to distribute during the conspiracy was between 40 to 70 grams of pseudoephedrine.

On Jan. 14, 2003, **Wells** and **Williams** were in possession of 1,440 pills of 30 milligram dosage pseudoephedrine, which they intended to provide to persons whom they knew would use it to manufacture methamphetamine.

### **Hilltop Store**

\* **Maynard F. Brown**, 59, of Isabella, Mo., owner of Hilltop Store in Ozark County, Mo., pleaded guilty on March 31, 2005, to participating in a conspiracy to distribute or possess pseudoephedrine, knowing that it would be used to manufacture methamphetamine. **Brown** admitted that he purchased large amounts of pseudoephedrine from D and D Distributing, some of which he diverted to individuals who used the pseudoephedrine to manufacture methamphetamine. The most readily provable amount that the government can show that **Brown** distributed as part of the conspiracy is between 100 to 300 grams of pseudoephedrine.

Additionally, during the time **Brown** was selling pseudoephedrine to individuals making methamphetamine, he possessed at least one firearm, an Armi Tanfoglio Giuseppe .25-caliber semi-automatic handgun. Under federal law, Graves explained, it is illegal to be in possession of a firearm in furtherance of a drug trafficking offense.

\* **Monty Camden**, 50, of Dora, Mo., an employee of **Brown's** at Hilltop Store, pleaded

guilty on April 18, 2005, to his role in a conspiracy to manufacture methamphetamine. **Camden** admitted that he had an agreement with others – including **Brown** – to manufacture methamphetamine. **Brown** assisted **Camden** in obtaining pseudoephedrine pills so that **Camden** could assist in the manufacture of methamphetamine.

This case is being prosecuted by Assistant U.S. Attorney Randall D. Eggert. Operation Ice Palace was investigated by the Internal Revenue Service, the Drug Enforcement Administration, the Bureau of Alcohol, Tobacco, Firearms and Explosives, COMET (the Combined Ozarks Multi-jurisdictional Enforcement Team), the Missouri State Highway Patrol, the Greene County, Mo., Sheriff's Department, the Lawrence County, Mo., Sheriff's Department, the Ozark County, Mo., Sheriff's Department, the Arkansas State Police, and the Springfield, Mo., Police Department.

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This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at

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